

**AUTHENTICATED  
COPY**

AMENDMENT NO. 2

TO

INTRA-AGENCY AGREEMENT NO. 98-SLC-0357 (DE-AI04-99AL66005)

BETWEEN

UNITED STATES DEPARTMENT OF ENERGY

ALBUQUERQUE OPERATIONS OFFICE

AND

UNITED STATES DEPARTMENT OF ENERGY

WESTERN AREA POWER ADMINISTRATION

COLORADO RIVER STORAGE PROJECT MANAGEMENT CENTER

FOR

PROVISION OF ELECTRIC SERVICES

TO

KIRTLAND AIR FORCE BASE/SANDIA NATIONAL LABORATORIES

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TO  
INTRA-AGENCY AGREEMENT NO. 98-SLC-0357  
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ALBUQUERQUE OPERATIONS OFFICE  
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WESTERN AREA POWER ADMINISTRATION  
COLORADO RIVER STORAGE PROJECT MANAGEMENT CENTER  
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1. PREAMBLE

This Intra-agency Agreement Amendment No. 2 (Amendment No. 2), between the UNITED STATES OF AMERICA, Western Area Power Administration (Western), and UNITED STATES DEPARTMENT OF ENERGY-National Nuclear Security Administration (NNSA) as part of Intra-Agency Agreement No. 98-SLC-0357 (Original Agreement) pursuant to the same authorities as the Original Agreement, and subject to all of the provisions of the Original Agreement except as herein amended.

2. EXPLANATORY RECITALS

- 2.1 The NNSA is responsible for the acquisition of electric power and energy for the Kirtland Air Force Base (KAFB)/Sandia National Laboratories (SNL), located near Albuquerque, New Mexico.
- 2.2 Western and NNSA executed the Original Agreement on April 26, 1999, which provides, among other things, for Western to sell to NNSA the power supply, ancillary services, and related transmission services required to meet the KAFB/SNL electric power and energy supply need beyond those supplied by Western to KAFB under the Western/KAFB Interagency Agreement No. 87-SLC-0029.
- 2.3 The Original Agreement, Subsection 10.1, set forth the term of the Original Agreement for a 5-year period, which commenced on April 26, 1999, and concluded on April 25, 2004. On January 6, 2003, the term of the Original

Agreement was extended for an additional 5-year term commencing on April 26, 2004, and concluding on April 25, 2009.

- 2.4 NNSA and Western desire to adjust the term of this IA to coincide with its other contracts and to extend the term of the Original Agreement for an additional approximately 4 years, 8 months commencing on April 26, 2009, and concluding on December 31, 2013. (Note: The existing Power Sales Agreement (PSA) for electricity to KAFB/SNL expires on December 31, 2008. If the 5-year extension is signed, then the PSA will run through December 31, 2013. Therefore, the Parties desire to modify the IA to have this same end date.)

3. AMENDMENT NO. 2 MODIFICATION

- 3.1 The Original Agreement's Section 10 "TERM OF AGREEMENT," Subsection 10.1 is revised in its entirety to read as follows:

"10.1 This Agreement shall become effective on the 26th day of April, 1999, and, subject to prior termination as otherwise provided herein, shall remain in effect until 11:59 p.m. on the 31st day of December, 2013."

4. ORIGINAL AGREEMENT TO REMAIN IN EFFECT

Except as expressly amended herein, the Original Agreement shall remain in effect, and this Amendment No. 2 shall be subject to all the provisions of said Original Agreement as modified herein.

5. TERM OF AMENDMENT NO. 2

This Amendment No. 2 shall become effective when fully executed by both Parties and shall remain in effect until the completion of or termination of the Original Agreement, whichever occurs first.

This Amendment No. 2 is duly executed by:

WESTERN AREA POWER ADMINISTRATION



Burt Hawkes  
Power Marketing and Contracts Manager  
CRSP Management Center  
150 East Social Hall Avenue, Suite 300  
Salt Lake City, UT 84111-1580

Date: 4/10/07

U.S. DEPARTMENT OF ENERGY  
NATIONAL NUCLEAR SECURITY ADMINISTRATION



Eusebio M. Espinosa  
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Date: 4/2/2007